

Iraq Weekly Status Report

August 3, 2005

**Bureau of Near Eastern Affairs
US Department of State**

UNCLASSIFIED



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This report provides weekly updates in the seven key areas identified as pillars of US government policy in Iraq.

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Highlights

1.0 Transition to Security Self-Reliance

- On July 25, the initial group of 24 Iraqi instructors who will conduct future training in the newly formed Joint Staff College for the Iraqi Armed Forces graduated from a comprehensive 'train-the-trainer' course provided by NATO instructors in Baghdad.

2.0 Support a Free and Democratic Iraq

- Transitional National Assembly Speaker Hajim al-Hasani announced on August 2 that the draft constitution will be finalized as scheduled in mid-August and put to a public referendum by October 15.

3.0 Provide Essential Services

- The World Bank is supporting two health projects, including a project to develop 12 regional trauma centers and a project to develop rehabilitation services.

4.0 Establish Foundation for a Strong Economy

- The Oil Ministry has invited bids to build a new \$1 billion refinery south of Baghdad with a capacity of 140,000 barrel a day. It's also invited bids to build a \$400 million refinery near Sulaimaniyah in the Kurdish area of northern Iraq with a capacity of 70,000 barrels a day.



Highlights

5.0 Promote the Rule of Law

- The Iraqi Integration Commission, comprising the Minister of the Interior, Minister of Justice and the Chief Justice, held its first meeting on July 26. The purpose of the Commission is to increase coordination amongst MOI, MOJ and the Chief Justice, and initiate the Iraqi capacity to integrate police, courts and prisons.

6.0 Maintain International Engagement and Support

- On July 28, Romanian president Traian Basescu said that Romania remains committed to keeping its troops in Iraq as long as they are needed by the Iraqi government. "We remain committed to helping Iraq's stabilization," said Basescu.

7.0 Promote Strategic Communications

- A media training series has been developed to assist Iraqi political parties expand their voter communications skills. Three 'Message Delivery' sessions were conducted by the National Democratic Institute (NDI) for the Iraqi National Accord (INA), Iraqi Democratic Constitutional Party (IDCP), Iraqi Islamic Party (IIP) and al-Dawa on July 26, 27 and 28.



[1.0] Transition to Security Self-Reliance – Iraqi Security Forces

Iraqi Security Forces Update:

- On July 25, the initial group of 24 Iraqi instructors who will conduct future training in the newly formed Joint Staff College for the Iraqi Armed Forces graduated from a comprehensive 'train-the-trainer' course in Baghdad.
- On July 28, Iraqi police located a large cache of munitions near Tikrit. The cache consisted of nine surface-to-air missiles and hundreds of anti-aircraft artillery rounds.
- Iraqi Army soldiers, Iraqi police, and Coalition forces captured 11 suspected insurgents and seized two rocket launchers during a series of combat operations in Baghdad on July 25.
- On July 27, Iraqi Public Order Brigade officers manning a traffic control checkpoint in Baghdad shot and killed a suicide car bomber before he could reach his objective.
- On July 25 in Yusufiyah, Iraqi SWAT members, on a combined patrol with Coalition advisors, secured valuable intelligence from a local national which led to the capture of 22 suspected insurgents.



[1.0] Transition to Security Self-Reliance – Iraqi Security Forces

Ministry of Interior Forces

COMPONENT	TRAINED & EQUIPPED
POLICE	~ 64,100
HIGHWAY PATROL	
OTHER MOI FORCES	~ 31,300
TOTAL	~ 95,400*

Ministry of Defense Forces

COMPONENT	OPERATIONAL
ARMY	~ 79,400
AIR FORCE	~ 200
NAVY	~ 700
TOTAL	~ 80,300**

Total Trained & Equipped ISF:
~ 175,700

* Ministry of Interior Forces: Unauthorized absences personnel are included in these numbers

** Ministry of Defense Forces: Unauthorized absences personnel are not included in these numbers



[2.0] Support a Free and Democratic Iraq – **Developments**

Constitution Update:

- Transitional National Assembly Speaker Hajim al-Hasani announced on August 2 that the draft constitution will be finalized as scheduled in mid-August and put to a public referendum by October 15.

Sunni Parties Meet with Constitutional Committee:

- Upon the request of the Constitutional Committee Chair Sheikh Hamoudi, the National Democratic Institute (NDI) organized a delegation of twelve senior members of Sunni political parties to meet with the Constitutional Committee on July 28. Prior to the meeting, NDI conducted training on taking advantage of the constitutional process to conduct party building activities through a number of voter contact activities - including door-to-door outreach, surveys, petitions, rallies and advocacy work.

Formation of the “National Women's Coalition”:

- The 45 women present at a July 27 meeting on “Engendering of the Constitution” reported on the group’s achievements in advocating for the equality of men and women in the constitution. In one week, the group collected over 700 signatures in support of the campaign. Press releases restating the group’s 10-point demands were sent to all media outlets and interviews were scheduled. In recognition of its long-term objectives, the group decided to officially call itself the “National Women's Coalition.”



[2.0] Support a Free and Democratic Iraq – **Developments**

Skill Development Training for Transitional National Assembly (TNA) Members:

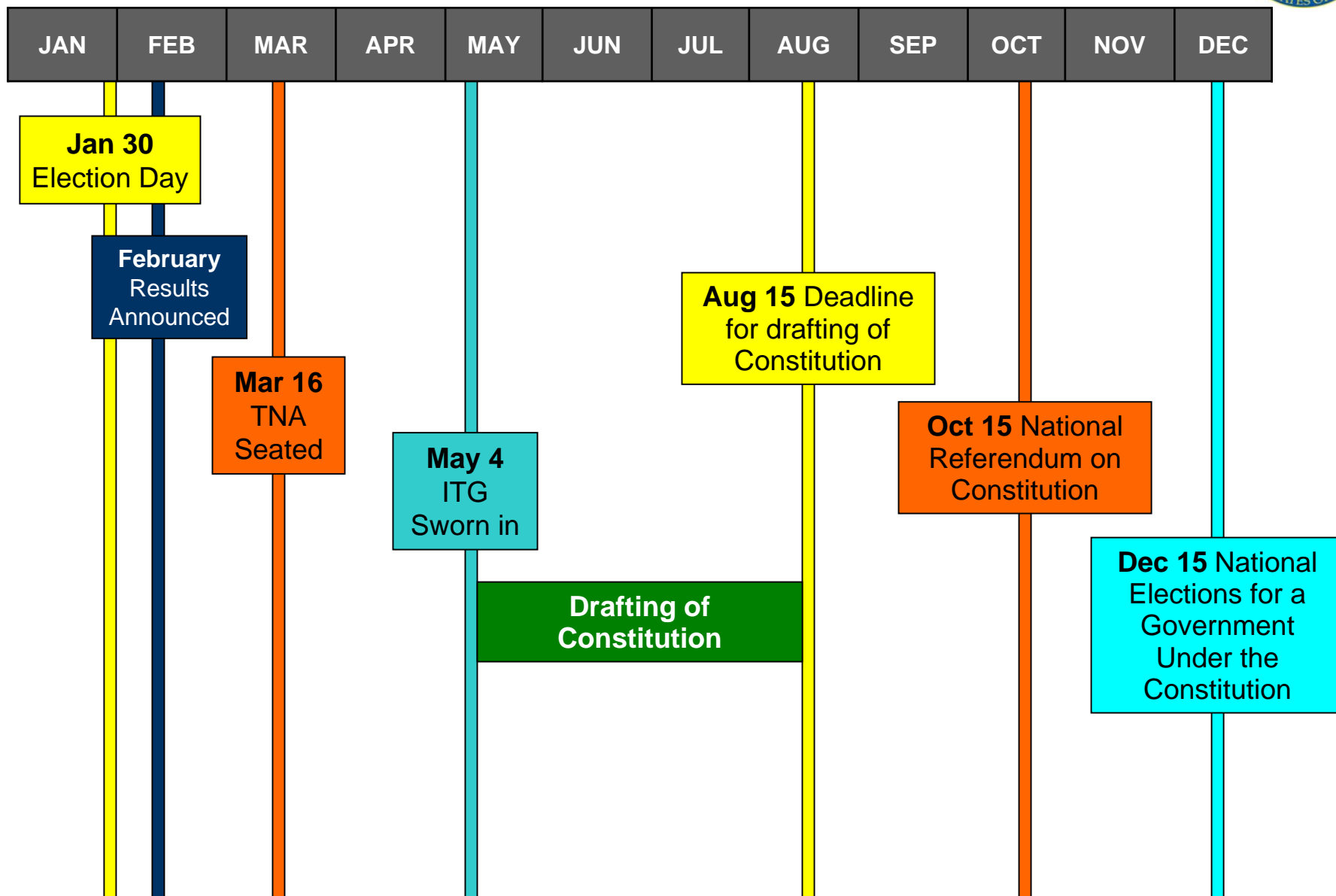
- On July 23, NDI conducted a skills development training for 18 members of the TNA from the Shi'a United Iraqi Alliance, the Kurdish Alliance and the Iraqi List. The workshop on parliamentary oversight is designed to improve Iraq's parliamentary oversight of the executive branch of government. Using international examples, the session addressed frequent obstacles and common tactics, including gathering of required evidence, organizing public hearings, identifying allies and forming alliances, using the media and organizing a campaign in support of specific issues, policies or pieces of legislation.

Continuing TNA Responsibilities:

- Serve as Iraq's national legislature until the election of a new government under a permanent constitution.
- According to the Transitional Administrative Law, the TNA is to draft Iraq's new Constitution by August 15, 2005; this will be presented to the Iraqi people for their approval in a national referendum by October 15, 2005.
- If it is approved, an election for a permanent Iraqi government under that new Constitution will occur by the end of 2005.



[2.0] Support a Free and Democratic Iraq – Electoral Process Timeline

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[2.0] Support a Free and Democratic Iraq - Iraqi Transitional Government

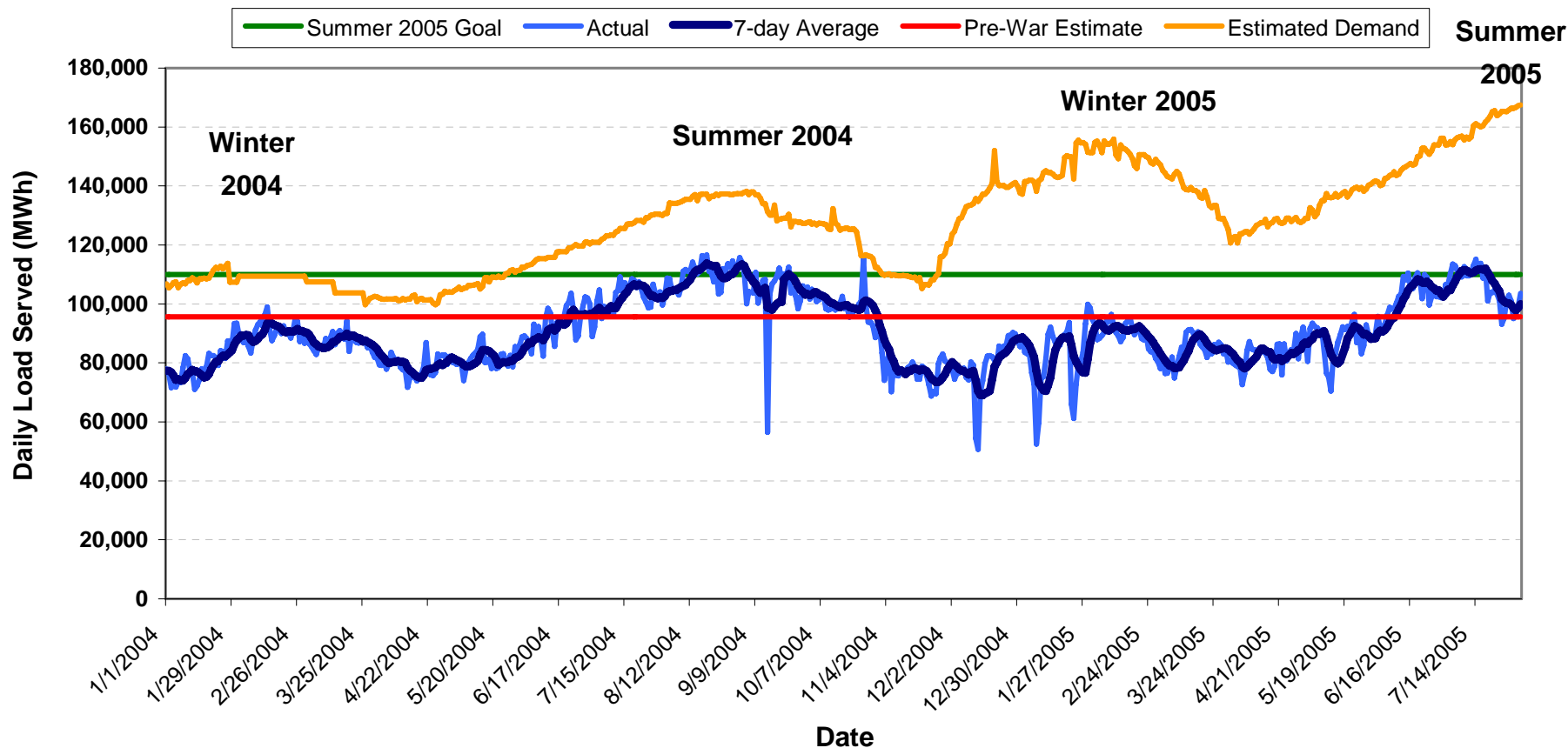
		President Jalal Talabani		Deputy President 'Adil 'Abd al-Mahdi	
Deputy President Sheikh Ghazi al-Yawr		Prime Minister Ibrahim al-Ja'fari			
Deputy Prime Minister Rawsh Shaways	Deputy Prime Minister 'Abd Mutlak al-Juburi			Deputy Prime Minister Ahmad al-Chalabi	Deputy Prime Minister Vacant
Minister of Agriculture Ali al-Bahadili	Minister of Communications Juwan Fu'ad Ma'sum (F)	Minister of Culture Nuri al-Rawi	Minister of Defense Sa'dun al-Dulaymi	Minister of Displacement & Migration Suhayla al-Kinani (F)	Minister of Electricity Muhsin Shallash
Minister of Education Abdul Mun'im al-Falah Hasan	Minister of Environment Narmin 'Uthman (F)	Minister of Finance 'Ali 'Allawi	Minister of Foreign Affairs Hoshyar Zebari	Minister of Health Abd al-Muttalib al-Rubay'i	Minister of Higher Education Sami al-Muzaffar
Minister of Human Rights Acting, Narmin Uthman (F)	Minister of Industry & Minerals Usama al-Najafi	Minister of Interior Bayan Sulagh	Minister of Justice 'Abd al-Husayn Shandal	Minister of Housing & Construction Jasim Ja'far	Minister of Labor & Social Affairs Idris Hadi
Minister of Oil Ibrahim Bahr al-'Ulum	Minister of Planning Barham Salih	Minister of Trade 'Abd al-Basit Mawlud	Minister of Science & Technology Basima Butrus (F)	Minister of Municipalities & Public Works Nasreen Berwari (F)	Minister of Transportation Salam al-Maliki
Minister of Water Resources 'Abd al-Latif Rashid	Minister of Youth & Sports Talib Aziz al-Zaini	Minister of State for Civil Society 'Ala' abib Kazim	Minister of State for National Assembly Affairs Safa' al-Din al-Safi	Minister of State for National Security Affairs 'Abd al-Karim al-'Anzi	
		Minister of State for Provinces Sa'd al-Hardan	Minister of State for Tourism and Antiquities Hashim al-Hashimi	Minister of State for Women's Affairs Azhar al-Shaykhli (F)	

(F) = Female



[3.0] Provide Essential Services – Electricity Overview

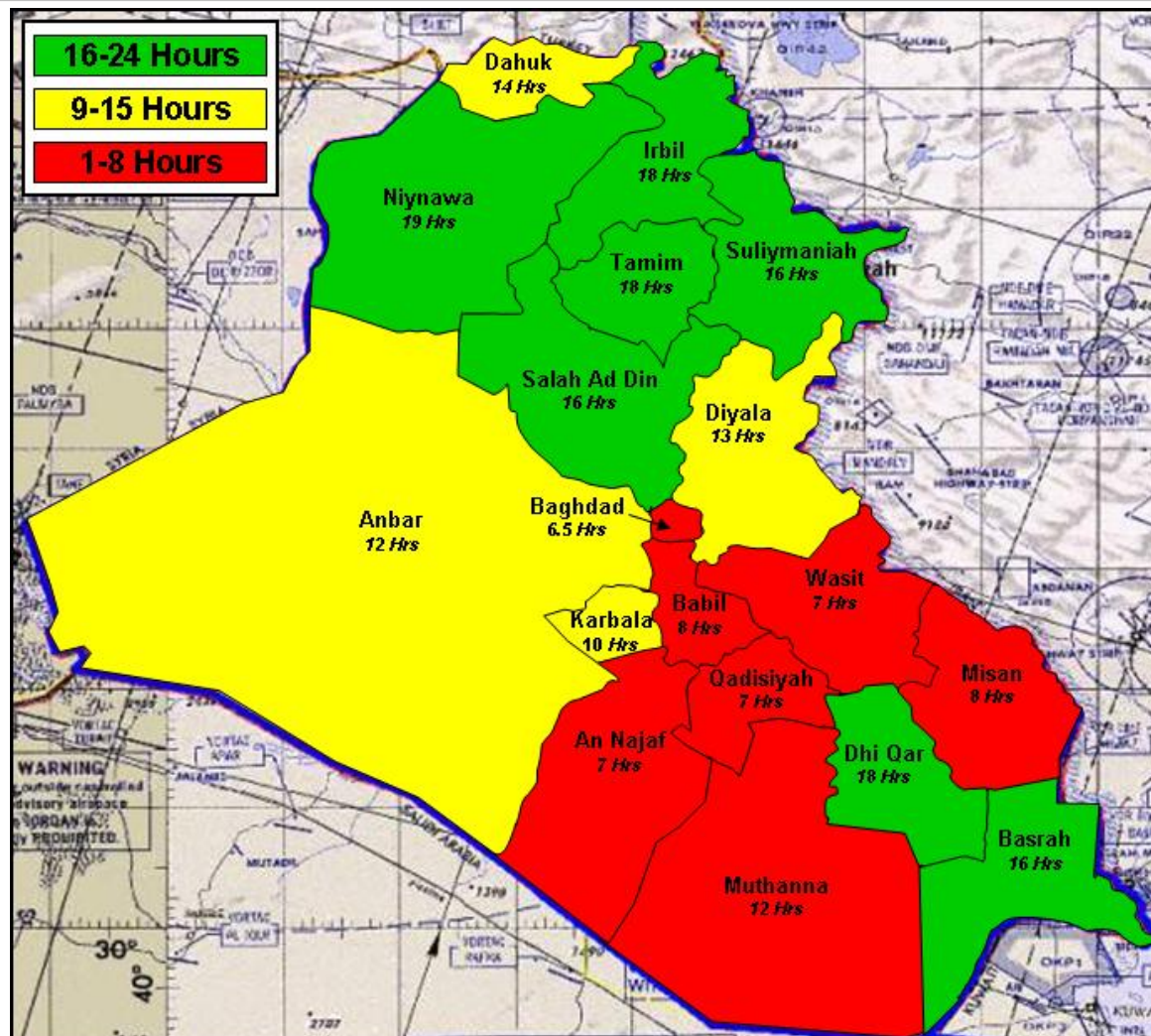
Daily Electricity Supplied and Estimated Demand in Iraq Since January 2004



- Electricity service decreased significantly in the last week (July 25 – August 1), particularly in Baghdad where hours of available electricity dropped to an average of 5 hours per day.
- Nationwide electricity supplied averaged 98,700 megawatt hours (MWh) per day during this period.
- Demand continues to climb to new records.



[3.0] Provide Essential Services – Iraq's National Hours of Power



1 AUG 05

NATIONAL HOURS OF POWER

11 Hours

4430 MW

BAGHDAD HOURS OF POWER

4 Hours

BASRAH HOURS OF POWER

18 Hours

1 Month Ago:
AVG 12 Hrs / Day



Electrical Power Distribution per province:
July 26th – Aug 1st 2005
AVG 11 Hrs / Day

Produced by: NCMOC INTEL



[3.0] Provide Essential Services – **Water and Sanitation and Telecommunications**

Water and Sanitation:

- The Project and Contracting Office (PCO) is using local Iraqi contractors to rebuild the Karbala Drainage Pump Station. The pump station will save 50,000 hectares of agricultural land by reducing the high percentages of salt in the soil. It will also reduce the water level in the main canal and lower the water table in Karbala, making it one of the most important stations in Iraq. The Karbala Drainage Pump Station is expected to be completed in August 2006.
- PCO has 75 water treatment projects underway and has completed 69 to date. Under the Accelerated Iraq Reconstruction Program (AIRP), there are a further 9 water treatment projects under construction and 45 have been completed.
 - The majority of these projects are awarded directly to local contractors and local water authorities.
- To date, the Baghdad Water Main Rehabilitation project has connected 7,498 homes to the water mains and laid 87.7 km of main line pipe, surpassing the original contract amount of 74 km of pipe.

Telecommunications:

- As of July 27, there were 2,804,147 active cellular subscribers in Iraq. Landline telephone subscribers in Iraq have also increased to 997,675. Prior to Operation Iraqi Freedom, there were approximately 833,000 landline subscribers.
- The Wireless Broadband Network, connecting 35 Iraqi government agencies, is now in limited operations.
- The contract for reconstruction of the al Mamoun telecom hub has been awarded to an Iraqi firm.



[3.0] Provide Essential Services – Health Care

Health Care:

- Construction is ongoing for 141 new primary health care (PHC) facilities across Iraq. Under the Accelerated Iraq Reconstruction Program (AIRP), an additional nine PHCs have been completed and two are under construction.
- The World Bank is supporting two health projects, including a project to develop 12 regional trauma centers and a project to develop rehabilitation services.
 - The World Bank is supporting the development of rehabilitation services in Iraq. Currently, the MNF-I surgeon's office is working on a project to establish a prosthetics center in the International Zone for the Ministry of Defense. These efforts will be joined with the Ministry of Health's efforts to establish rehabilitation services for the public sector.
- The Health Attaché's office participated in a two-day meeting at the office of the World Health Organization (WHO) in Amman to discuss the integration of training activities conducted by both WHO and USAID. Current activities were reviewed and a plan of action was developed. These plans will be reviewed with the MoH in the Joint Program Review Mission August 8-11 in Amman.



[3.0] Provide Essential Services – Education

Education:

- A total of 3,211 schools have been rehabilitated to date, and a further 773 are undergoing rehabilitation.
- PCO has completed 654 school renovations to date and a further 65 are under construction. Under the AIRP, an additional 24 school renovations have been completed.
- USAID is supporting the Ministry of Education in its development of an Education Management Information System (EMIS). EMIS will assist the Ministry in nationwide monitoring and planning related to facilities, human resources, enrollment, and student performance.



[4.0] Establish Foundation for a Strong Economy – Oil Prices and Job Creation

Oil Update:

- Crude oil prices in world markets for the week ending July 29 closed with the following prices:
 - Basra Light at \$52.48/barrel – Dated Brent at \$58.50/barrel
 - Kirkuk Crude at \$53.87/barrel – WTI Cushing at \$58.97/barrel
 - Oman/Dubai at \$52.68/barrel

Employment Update:

- The following chart shows the number of Iraqis employed by USG-administered projects

Employing Organization	Number of Iraqis Working Last Week	Number of Iraqis Working This Week	% Change on Week
PCO (Project and Contracting Office)	29,804	29,982	0.6%
USAID	49,661	35,025	-29.5%
AIRP (Accelerated Iraqi Reconstruction Program)	2,235	2,040	-8.7%
MILCON (Military Construction)	447	461	3.1%
CERP* (Commanders' Emergency Response Program)	23,706	23,706	0.0%
MNSTC-I **	13,367	7,434	-44.4%
IRRF NON-CONSTRUCTION	11,357	11,357	0.0%
GRAND TOTAL	130,577	110,005	-15.8%

*CERP numbers are from the latest GRD Situation Report



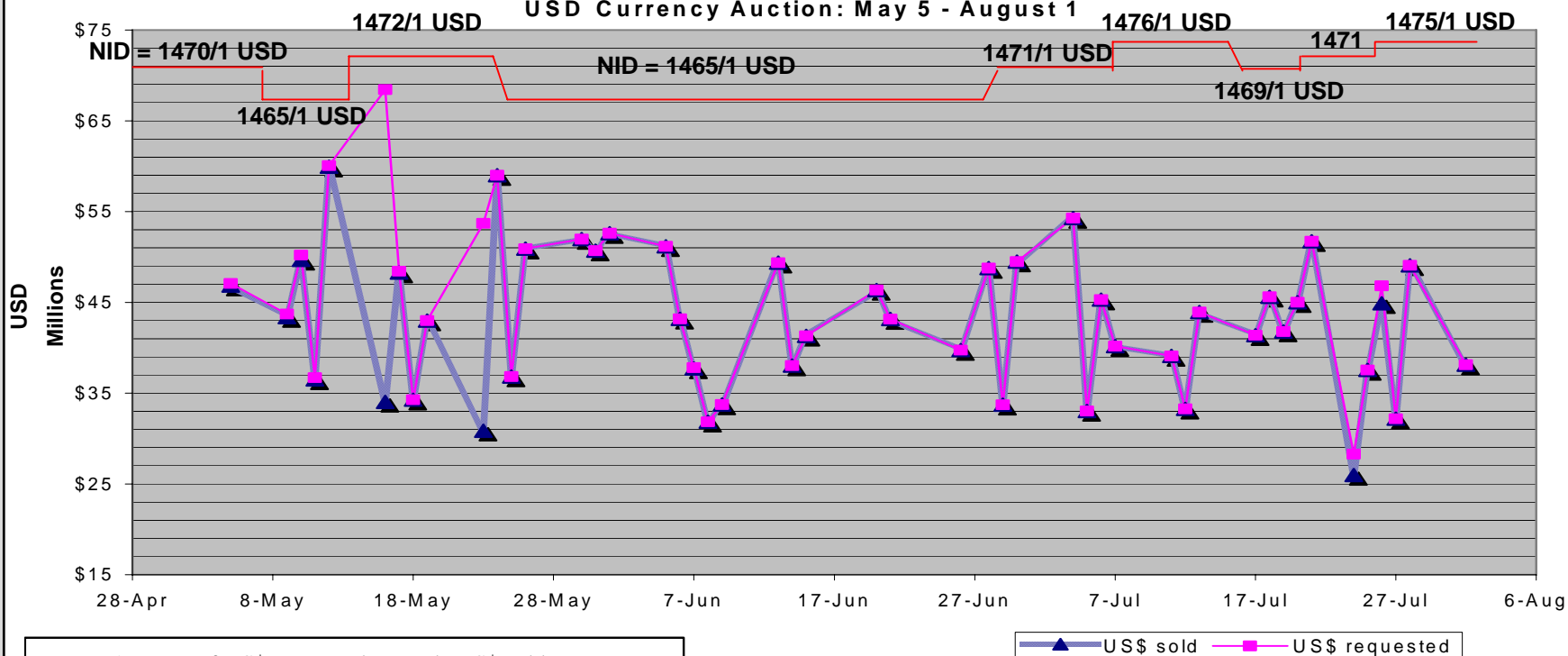
[4.0] Establish Foundation for a Strong Economy - Banking Sector

Central Bank's USD Currency Auction:

- The following table shows volume sold and exchange rates for USD in the Iraqi currency auction from May 5 through August 1.
- The settlement price at the currency auction on August 1 was 1,476 dinars per USD. Total amount requested and sold was \$38.125 million.

Central Bank of Iraq

USD Currency Auction: May 5 - August 1



Date--Amount of US\$ requested exceeds US\$ sold:

5/5-\$240,000	5/12- \$100,000	6/7- \$100,000
5/9- \$340,000	5/16- \$34,388,000	7/24- \$2,325,000
5/10- \$530,000	5/17- \$160,000	7/26- \$1,935,000
5/11- \$200,000	5/23- \$22,836,000	



[4.0] Establish Foundation for a Strong Economy

Iraq's Oil Exports Increase in July:

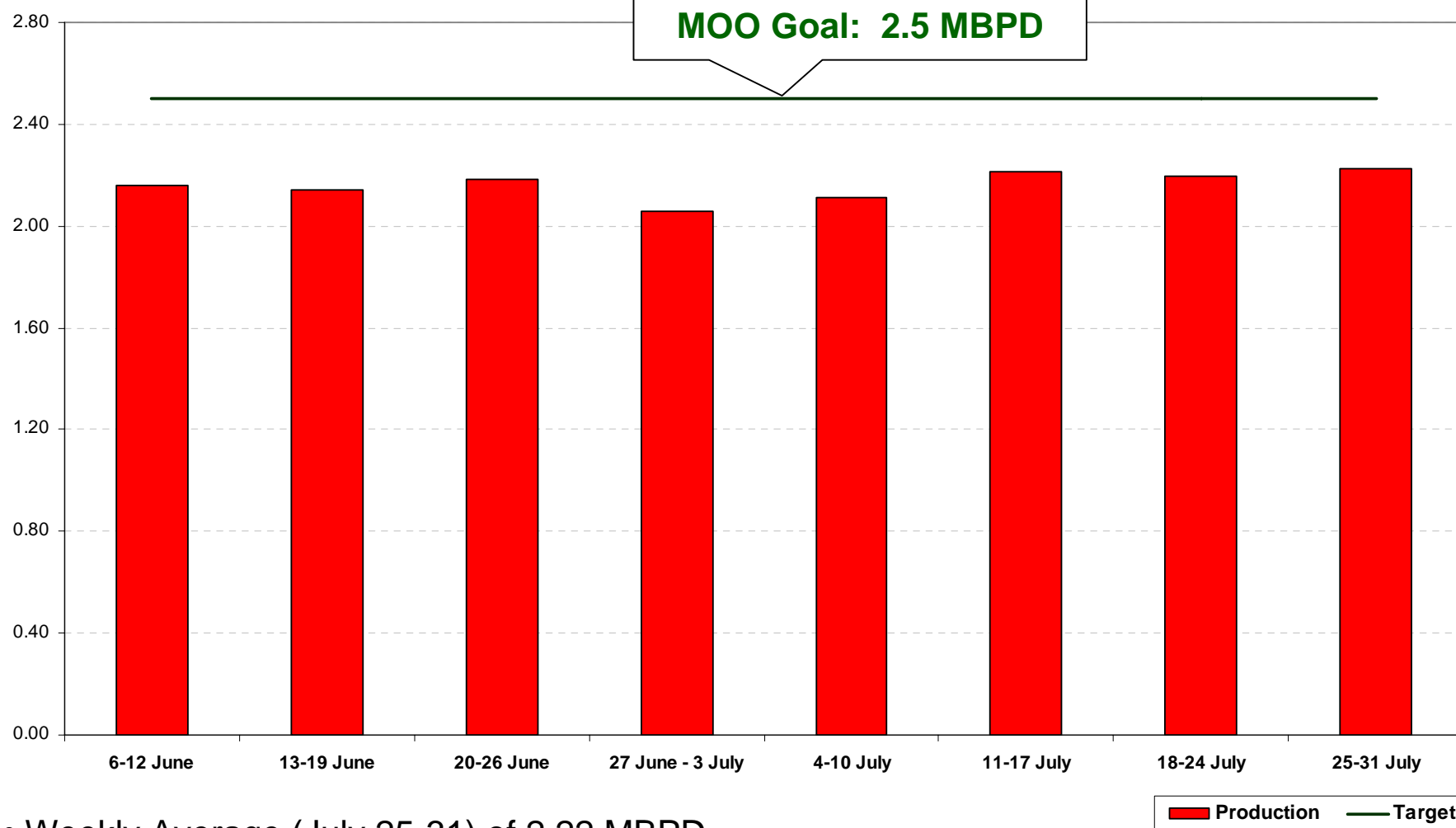
- Iraq's oil exports rose to an average of 1.55 million barrels a day (mbpd) during July, compared with 1.44 mbpd in June.
- The Minister of Oil said the country, which lacks enough refineries, is spending \$300 million per month to import refined oil products to face fuel shortages. In July, Iraq imported 3.36 million gallons of gasoline a day (mggd), approximately 63 percent of demand. Iraq hopes to produce an average of 3.25 mggd for August.
- In order to cope with the country's refined product shortages, on August 1 the Oil Ministry invited bids to build a new \$1 billion refinery south of Baghdad with a capacity of 140,000 bbls/day and a \$400 million refinery near Sulaimaniyah (in the Kurdish area of northern Iraq with a capacity of 70,000 bbls/day. There are also plans to build a refinery near Basra with a capacity of 300,000 bbls/day

Iraqi Stock Exchange:

- On August 1, the Iraqi Stock Exchange (ISX) trading volume was 262.1 million shares with a trading value of NID 1.7 billion (\$1.17 million).
 - The banking sector comprised the largest volume and value of trading, with trading in shares of seven banks accounting for a trading volume of 173 million shares and trading value of NID 1.2 billion (\$837,094).
 - The industry sector comprised the second largest volume of trading. Twenty companies in this sector accounted for a trading volume of 69.5 million shares with a trading value of NID 347 million (\$235,547).



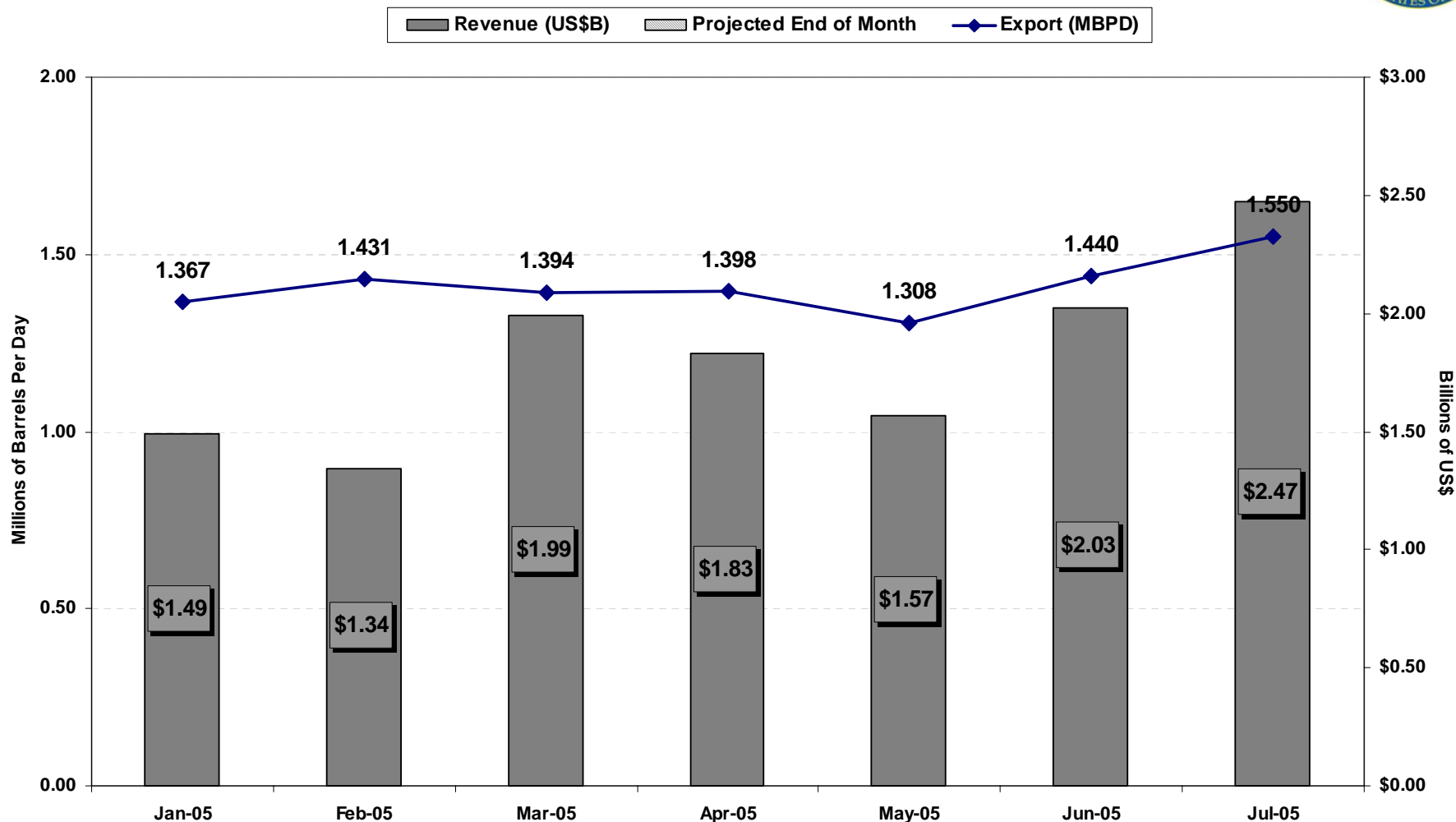
[4.0] Establish Foundations for a Strong Economy – Crude Oil Production



- Weekly Average (July 25-31) of 2.22 MBPD
- Pre-War Peak: 2.5 MBPD in March 2003
- Post-War Peak: 2.67 MBPD



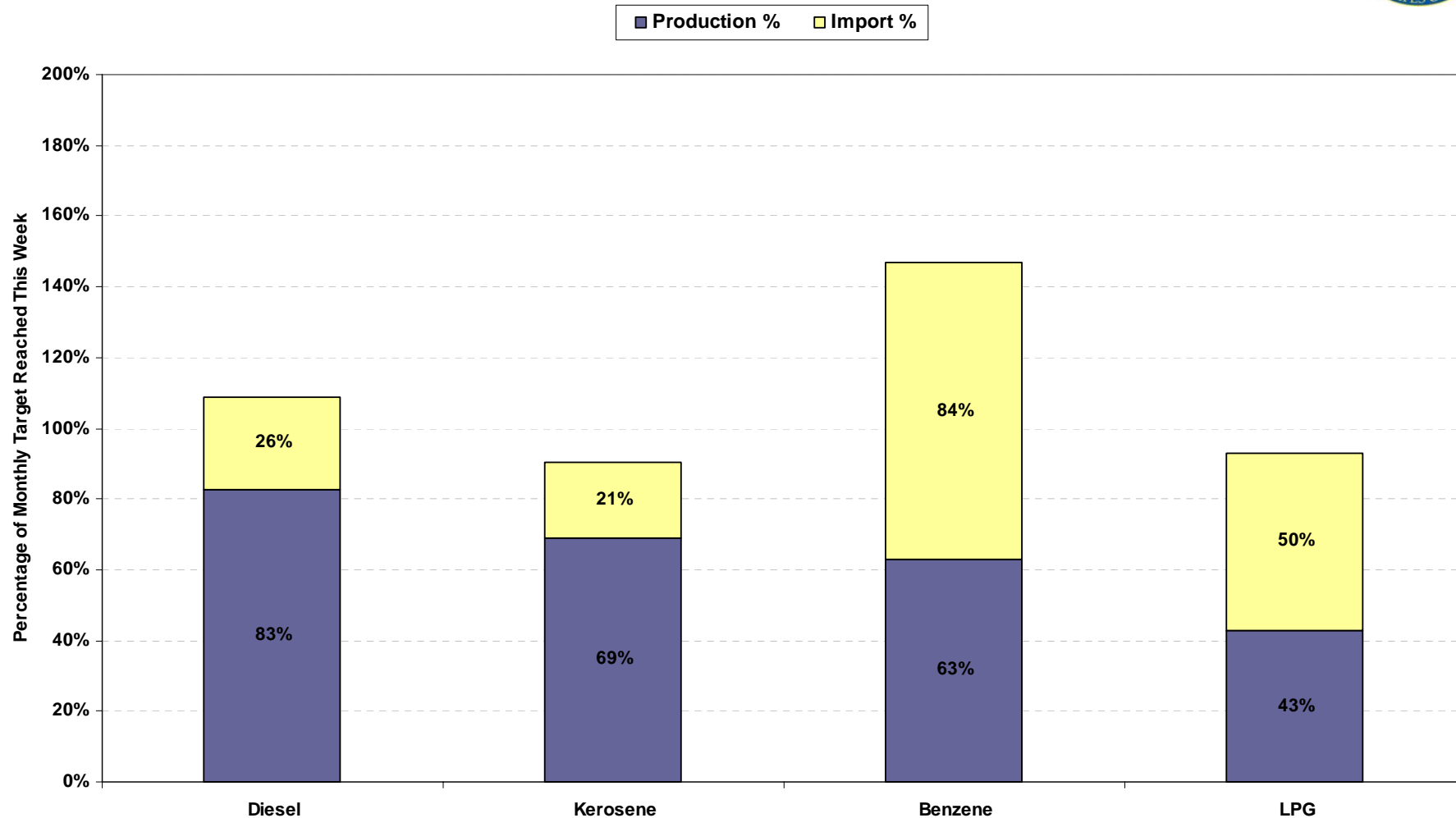
[4.0] Establish Foundations for a Strong Economy – Crude Oil Export



- 2003 Revenue: \$5,076.6 M
- 2004 Revenue: \$17,012.3 M
- 2005 Revenue: \$12,941.4 M (cumulative for 2005)



[4.0] Establish Foundations for a Strong Economy – Refined Products

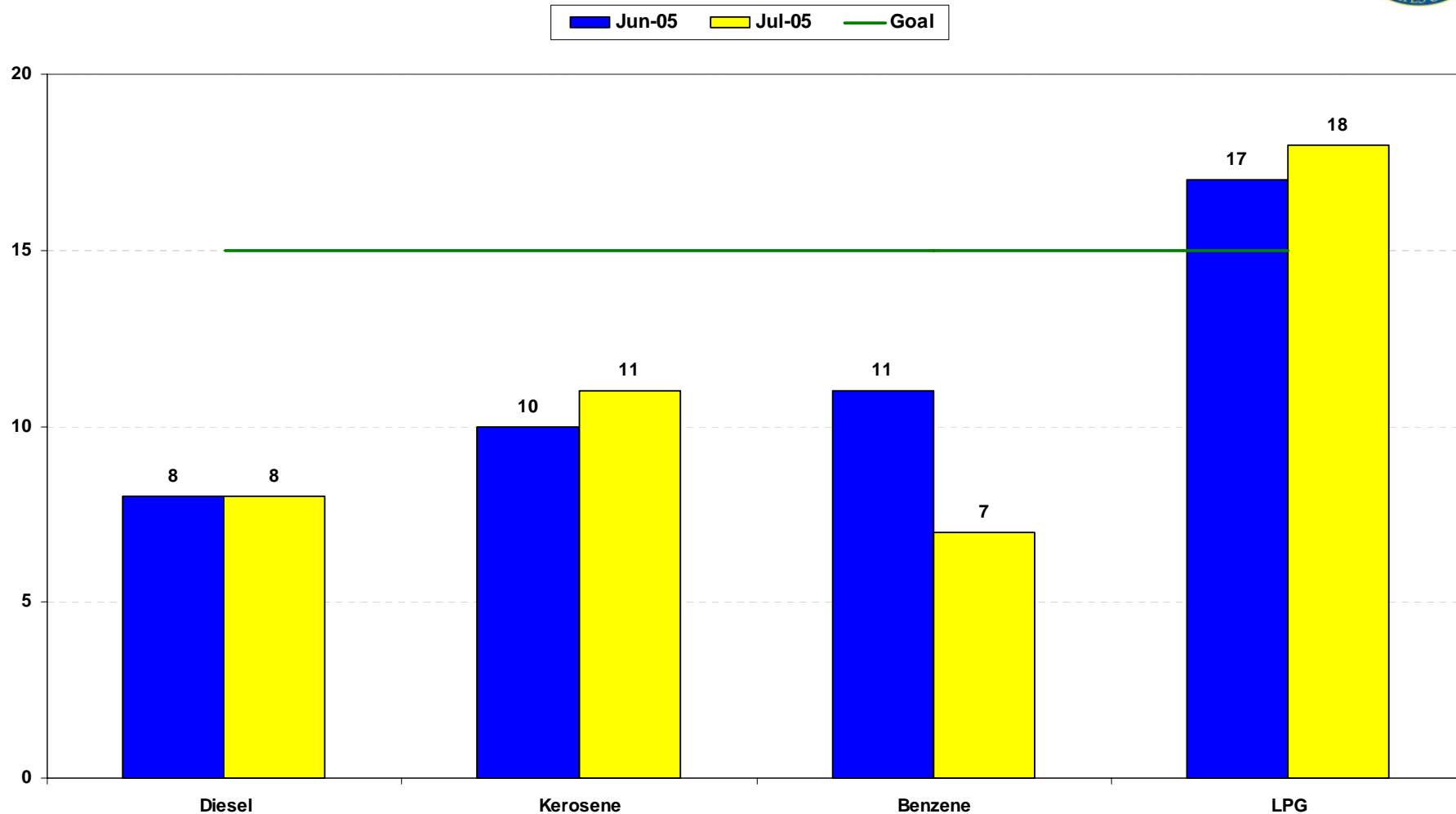


Note: This chart represents the average percentage of daily target reached for the week of July 25-31

- Diesel: 19.6 ML of 18 ML
- Kerosene: 4.9 ML of 5.4 ML
- Benzene: 26.4 ML of 18 ML
- LPG: 3,997 tons of 4,300 tons



[4.0] Establish Foundations for a Strong Economy – National Stock Levels



- The goal is for all refined products to be over 15 days worth of stocks at maximum consumption rates and does not represent seasonal change. The numbers given above are monthly averages.



[4.0] Establish Foundation for a Strong Economy –Financials from Iraq Relief and Reconstruction Fund (IRRF) 1 and IRRF 2

Data as of August 3, 2005

\$Millions	Apportioned		Committed			Obligated			Disbursed		
Sector	2207 Report	Apportion	Last Week	Current	Change	Last Week	Current	Change	Last Week	Current	Change
Security and Law Enforcement	5,035.6	5,035.6	4,947.6	4,955.2	7.56	4,535.1	4,558.8	23.73	3,037.1	3,165.4	128.3
Electricity Sector	4,308.2	4,067.7	3,856.9	3,789.2	(67.71)	2,667.9	2,571.6	(96.28)	1,363.1	1,384.3	21.2
Oil Infrastructure	1,723.0	1,723.0	1,570.9	1,571.4	0.49	1,161.4	1,174.5	13.08	411.9	438.0	26.2
Justice, Public Safety and Civil Society	1,224.2	1,224.2	1,150.1	1,147.7	(2.38)	977.4	978.9	1.43	394.7	426.8	32.0
Democracy	905.4	905.3	886.0	887.3	1.33	865.6	866.9	1.33	472.2	476.0	3.8
Education, Refugees, Human Rights, Governance	363.0	363.0	332.0	332.0	0.03	308.3	308.4	0.18	117.5	123.7	6.2
Roads, Bridges and Construction	355.2	355.2	333.0	334.0	1.00	208.5	209.1	0.61	120.5	126.0	5.6
Health Care	786.0	786.0	755.2	777.9	22.70	580.8	582.5	1.71	148.4	166.0	17.5
Transportation and Communications	509.0	508.5	481.8	483.2	1.45	385.3	386.4	1.04	121.2	122.7	1.5
Water Resources and Sanitation	2,156.7	1,819.1	1,808.0	1,757.9	(50.13)	1,420.0	1,433.2	13.22	258.7	279.7	21.1
Private Sector Development	860.3	840.3	835.6	835.9	0.22	817.7	817.8	0.10	483.1	483.7	0.6
Admin Expense (USAID, STATE)	213.0	213.0	213.0	213.0	0.00	213.0	213.0	0.00	213.0	213.0	0.0
TOTAL	18,439	17,840.9	17,170.2	17,084.8	(85.44)	14,140.9	14,101.1	(39.84)	7,141.4	7,405.4	264.0
IRRF 2 Construction		10,409.9	10,027.0	9,909.5	(117.57)	7,625.8	7,542.2	(83.60)	3,215.6	3,394.9	179.3
IRRF 2 Non-Construction		6,525.7	6,257.2	6,288.0	30.81	5,649.5	5,691.9	42.43	3,453.6	3,534.5	80.9
IRRF 2 Democracy		905.3	886.0	887.3	1.33	865.6	866.9	1.33	472.2	476.0	3.8
IRRF 1 Subtotal	2,473.3	2,473.3	2,473.3	2,473.3	0.00	2,473.3	2,473.3	0.00	2,406.6	2,406.6	0.0
Grand Total IRRF 1 & 2	20,912.8	20,314.2	19,643.5	19,558.1	(85.44)	16,614.2	16,574.4	(39.84)	9,548.0	9,812.0	264.0



[5.0] Promoting the Rule of Law – Iraqi Judicial System

First Meeting of the Iraqi Integration Commission:

- The Iraqi Integration Commission, comprising the Minister of the Interior, Minister of Justice and the Chief Justice, held its first meeting on July 26. The purpose of the Commission is to increase coordination amongst MOI, MOJ and the Chief Justice, and initiate the Iraqi capacity to integrate police, courts and prisons.



[6.0] Maintain Int'l Engagement & Support – **Developments**

International Support:

- On July 28, Romanian president Traian Basescu said that Romania remains committed to keeping its troops in Iraq as long as they are needed by the Iraqi government. "We remain committed to helping Iraq's stabilization," said Basescu.
- Iraqi President Jalal Talabani will head the Iraqi delegation to the Sharm al-Shaykh summit, now rescheduled for August 5 (after the funeral of King Fahd). The Iraqi delegation will also include the foreign minister and a number of other ministers and high-ranking officials. They will focus primarily on the threat terrorism poses to Iraq, which Talabani has deemed a plague threatening the world and the countries of the region.



[6.0] Maintain Int'l Engagement & Support – Contributors to Iraqi Stability Operations

Data as of July 27, 2005

27 Multi-National Forces – Iraq (MNF-I) Contributors (in addition to US)

Albania	Denmark	Latvia	Portugal
Armenia	El Salvador	Lithuania	Romania
Australia	Estonia	Macedonia	Slovakia
Azerbaijan	Georgia	Moldova	South Korea
Bosnia-Herzegovina	Italy	Mongolia	Ukraine
Bulgaria	Japan	Norway	UK
Czech Republic	Kazakhstan	Poland	

TOTAL ~ 23,000 Forces

*Note: Fiji participating as a part of the UN mission in Iraq.

28 Countries and NATO
(including US)
Support Iraqi Stability Operations



[7.0] Promote Strategic Communications – **Developments**

Strategic Communications:

- On July 12, Deputy Secretary of State Robert Zoellick, accompanied by Chargé d'Affairs David Satterfield from Baghdad, stopped by Regional Embassy Office in Hillah for a brief visit to meet with Coalition Forces, local government officials, and provincial police leaders.
 - The Deputy Secretary's visit sent a strong message to local government officials of the US's continued support for reconstruction and security in Iraq. Several local officials from the surrounding provinces said that they look forward to similar visits.
- Ayad Allawi, former president of the Iraqi government, confirmed that the national forces conference, which he is intending to hold on September 10, would include a group representing the constituents of the Iraqi and political community, including some identities that did not participate in the former elections, some who were not lucky to win, and some who have participated and won in the elections. He pointed out that this conference aims at "discussing, deepening and establishing the issue of the national unity, and setting an actual program for a national dialogue, to establish sound bases for the national unity." Allawi said, "The conference would also discuss the process of democratic conversion in Iraq, the issue of the constitution and establishing the state administration."



[7.0] Promote Strategic Communications – **Developments**

Strategic Communications:

- On July 20, the National Democratic Institute (NDI) organized its largest multi-party political party conference to date for an audience of 208 members of 70 parties and 10 NGOs from all parts of Iraq. The conference encouraged Iraqi parties to become more actively engaged in public input within the constitutional process, including circulating petitions, organizing multiple voter-contact activities, participating in civil dialogues, seek the input of other party members and constituents through surveys and communicating their concerns and opinions to members of the Constitutional Committee.
- A media training series has been developed to assist Iraqi political parties expand their voter communications skills. Three 'Message Delivery' sessions were conducted by NDI for the Iraqi National Accord (INA), Iraqi Democratic Constitutional Party (IDCP), Iraqi Islamic Party (IIP) and al-Dawa on July 26, 27 and 28. The training sessions provided participants the opportunity to practice delivery of their party's message in front of a camera (first, in two minutes, then in 30 seconds) and to conduct simulated press conferences in challenging circumstances.



Iraq Weekly Status – General Information

- This brief draws from multiple sources. References are cited on the respective pages in the “Notes Page” section (View → Notes Page).
- Please forward all questions and/or comments to NEA-I-IPOG-DL@state.gov